

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
)	Chapter 11
FTX TRADING LTD., <i>et al.</i> , ¹)	
)	Case No. 22-11068 (JTD)
Debtors.)	
)	(Jointly Administered)
)	
)	Objection Deadline: June 20, 2023 at 4:00 p.m. (ET)

**SUMMARY OF FOURTH MONTHLY FEE STATEMENT OF PAUL HASTINGS LLP, AS
LEAD COUNSEL FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS,
FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR
THE PERIOD FROM MARCH 1, 2023 THROUGH MARCH 31, 2023**

Name of Applicant:	Paul Hastings LLP (" <u>Paul Hastings</u> ")
Authorized to Provide Professional Services to:	Official Committee of Unsecured Creditors (" <u>Committee</u> ")
Date of Retention:	Order entered February 7, 2023, effective as of December 20, 2022 [D.I. 635]
Period for Which Compensation and Reimbursement is Sought:	March 1, 2023 through and including March 31, 2023 (the " <u>Fee Period</u> ")
Total Amount of Compensation Sought as Actual, Reasonable and Necessary:	\$3,506,503.00
80% of Compensation Sought as Actual, Reasonable and Necessary:	\$2,805,202.40
100% of Expense Reimbursement Sought as Actual, Reasonable and Necessary:	\$38,510.23

This is a(n): ☒ monthly ___ interim ___ final application.

This application includes approximately 29.8 hours and associated fees of approximately \$41,183.50 in connection with the preparation of fee applications.

¹ The last four digits of FTX Trading Ltd.'s tax identification number are 3288. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://cases.ra.kroll.com/FTX>.

COMPENSATION BY INDIVIDUAL DURING THE FEE PERIOD

Name	Practice Group; Date of First Admission	Hourly Rate	Hours Billed	Amount Billed
Partners				
Daniel, Chris	Fintech and Payments Group, 1999	\$1,700.00	34.90	\$59,330.00
Despins, Luc A.	Finance & Restructuring, 1986	\$1,975.00	3.80	\$7,505.00
Gilad, Erez	Finance & Restructuring, 2001	\$1,875.00	98.80	\$185,250.00
Grogan, James	Financial Restructuring, 2000	\$1,700.00	1.50	\$2,550.00
Hansen, Kris	Finance & Restructuring, 1996	\$2,075.00	159.30	\$330,547.50
Kelly, Brian	Finance & Restructuring, 2001	\$1,625.00	128.50	\$208,812.50
Madell, Jaime	Structured Credit, 2012	\$1,700.00	6.20	\$10,540.00
Meier, Peter	Complex Litigation and Arbitration	\$1,750.00	6.80	\$11,900.00
Merola, Frank	Finance & Restructuring, 1988	\$1,875.00	113.10	\$212,062.50
Murphy, Matt M.	Finance & Restructuring, 1999	\$1,750.00	41.10	\$71,925.00
Opich, Joseph	Tax, 1988	\$1,975.00	0.50	\$987.50
Pasquale, Ken	Financial Restructuring, 1990	\$1,875.00	246.70	\$462,562.50
Rimon, Laurel Loomis	Investigation & White Collar Defense, 1993	\$1,525.00	2.00	\$3,050.00
Sasson, Gabe	Financial Restructuring 2010	\$1,625.00	152.60	\$247,975.00
Sibbitt, Eric	Fintech and Payments Group, 1997	\$1,550.00	46.30	\$71,765.00
Spafford, Michael	Investigation & White Collar Defense, 1984	\$1,875.00	1.40	\$2,625.00
Srivastava, Arun	Fintech and Payments Group, 1991	\$1,900.00	8.40	\$15,960.00
Tsao, Leo	Investigation & White Collar Defense, 1999	\$1,525.00	13.80	\$21,045.00
Partner Total			1,065.70	\$1,926,392.50
Of Counsel				
Greenbacker, Lauren-Kelley	Fintech and Payments Group, 2014	\$1,320.00	30.70	\$40,524.00
Griffin, Meagan E.	Fintech and Payments Group, 2013	\$1,320.00	42.70	\$56,364.00
Levine, Eric M.	Mergers & Acquisitions 2007	\$1,475.00	15.30	\$22,567.50

Name	Practice Group; Date of First Admission	Hourly Rate	Hours Billed	Amount Billed
Martin, Samantha	Financial Restructuring, 2008	\$1,600.00	142.50	\$228,000.00
Merchant, Heena	Fintech and Payments Group, 2012	\$1,425.00	12.10	\$17,242.50
Silber, Gary	Tax, 2011	\$1,600.00	11.50	\$18,400.00
Traxler, Katherine A.	Financial Restructuring, 1990	\$1,025.00	12.80	\$13,120.00
Of Counsel Total			267.60	\$396,218.00
Associates				
Ashuraey, Sam	Financial Restructuring, 2017	\$1,270.00	27.80	\$35,306.00
Burns, Elena Gold	Private Equity, 2019	\$1,125.00	31.70	\$35,662.50
Catalano, Kristin	Financial Restructuring, 2021	\$915.00	34.90	\$31,933.50
Daly, Crispin	Financial Restructuring, 2010	\$1,320.00	4.90	\$6,468.00
Diaz, Caroline	Financial Restructuring, 2021	\$1,125.00	70.60	\$79,425.00
Dunn, Austin	Private Equity	\$855.00	31.00	\$26,505.00
Fedler, Kayla	Fintech and Payments Group, 2022	\$855.00	5.10	\$4,360.50
Fisher, Michael J.	Complex Litigation & Arbitration, 2020	\$1,125.00	23.20	\$26,100.00
Iaffaldano, Jack	Financial Restructuring, 2020	\$1,125.00	87.30	\$98,212.50
Khoury, Gabriel	Fintech and Payments Group, 2021	\$915.00	14.00	\$12,810.00
Koch, Leonie	Financial Restructuring, 2023	\$855.00	243.30	\$208,021.50
Lersch, Kelly	Fintech and Payments Group, 2018	\$1,175.00	0.40	\$470.00
Levine, Bob	Financial Restructuring, 2014	\$1,290.00	32.50	\$41,925.00
Miliotes, Lanie	Financial Restructuring, 2023	\$855.00	101.10	\$86,440.50
Nizamian, Andrew A.	Fintech and Payments Group, 2017	\$1,235.00	60.90	\$75,211.50
Quattrocchi, Sarah A.	Fintech and Payments Group, 2020	\$1,125.00	31.10	\$34,987.50
Rubin, Lisa E.	Fintech and Payments Group, 2017	\$1,235.00	0.70	\$864.50
Sasson, Isaac	Financial Restructuring, 2016	\$1,290.00	154.70	\$199,563.00
Seelig, Ben	Investigation & White Collar Defense, 2020	\$1,125.00	21.00	\$23,625.00
Thrasher, Karin	Fintech and Payments Group, 2021	\$915.00	13.70	\$12,535.50

Name	Practice Group; Date of First Admission	Hourly Rate	Hours Billed	Amount Billed
Tully, Courtney	Private Equity, 2019	\$1,175.00	10.90	\$12,807.50
Xu, Christine	Financial Restructuring, 2022	\$915.00	67.70	\$61,945.50
Associate Total			1,068.50	\$1,115,180.00
Paraprofessionals				
Chang, Irene	Practice Innovation	\$400.00	1.00	\$400.00
Laskowski, Mat	Financial Restructuring	\$540.00	100.80	\$54,432.00
Lopez, Mayra	Technical Operations Senior Analyst	\$375.00	4.30	\$1,612.50
Magzamen, Michael	Financial Restructuring	\$540.00	20.70	\$11,178.00
Mohamed, David	Financial Restructuring	\$540.00	1.50	\$810.00
O'Dea, Heather	Legal Research Analyst	\$400.00	0.70	\$280.00
Paraprofessional Total			129.00	\$68,712.50
TOTAL:			2,530.80	\$3,506,503.00
BLENDED HOURLY RATE: \$1,386				

COMPENSATION BY PROJECT CATEGORY FOR THE FEE PERIOD

U.S. Trustee Task Code and Project Category	Hours Billed	Amount Billed
B110 Case Administration	55.80	\$32,260.50
B111 Schedules and Statements of Financial Affairs	22.50	\$29,843.00
B112 General Creditor Inquiries	6.80	\$7,726.00
B113 Case Analysis/Pleadings Review	24.40	\$31,333.50
B115 Meetings and Communications with Debtors	135.60	\$224,754.00
B120 Asset Analysis and Recovery	209.90	\$321,140.50
B130 Asset Disposition	384.10	\$571,341.00
B140 Relief from Stay/Adequate Protection Proceedings	91.80	\$105,880.50
B150 Meetings and Communications with Creditors	330.80	\$529,637.50
B155 Court Hearings	10.00	\$11,208.00
B160 Employment Applications / Fee Statements and Applications (Paul Hastings)	30.20	\$39,510.50
B162 Fee/Compensation Matters (Paul Hastings)	89.30	\$117,683.50
B165 Employment Applications / Fee Statements and Applications (Other Professionals)	3.70	\$5,075.00
B166 Fee/Compensation Matters (Other Professionals)	63.00	\$69,632.00
B175 Bahamian PropCo Analysis	57.70	\$95,658.00
B180 Avoidance Action Analysis	276.00	\$366,730.00
B189 Monitoring or Participating in Related Cryptocurrency Bankruptcy	31.10	\$31,141.50
B190 Other Contested Matters (excl. assumption/rejections motions)	127.60	\$151,418.00
B191 General Litigation	104.90	\$108,931.00
B210 Business Operations	9.90	\$11,985.00
B215 Regulatory Matters	170.80	\$243,078.00
B220 Employee Benefits/Pensions	9.30	\$11,812.50
B240 Tax Issues	11.00	\$18,107.50
B261 Investigations	219.40	\$286,284.00
B310 Claims Administration and Objection	14.60	\$20,721.00
B320 Plan and Disclosure Statement (including Business Plan)	40.60	\$63,611.00
TOTAL:	2530.80	\$3,506,503.00

EXPENSE SUMMARY FOR THE FEE PERIOD

Category	Amount
Courier Service	\$196.42
Computer Search	\$6,487.45
Court Reporting Services	\$85.20
In-house Black and White Reproduction Charges (3,787 copies at \$0.08 per page)	\$302.96
In-house Color Reproduction Charges (1,627 copies at \$0.50 per page)	\$813.50
Meals	\$199.37
Outside Professional Services	\$29,923.98
Taxi/Ground Transportation	\$501.35
TOTAL:	\$38,510.23

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

FTX TRADING LTD., *et al.*,¹

Debtors.

Chapter 11

Case No. 22-11068 (JTD)

(Jointly Administered)

Objection Deadline: June 20, 2023 at 4:00 p.m. (ET)

FOURTH MONTHLY FEE STATEMENT OF PAUL HASTINGS LLP, AS LEAD COUNSEL FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS, FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD FROM MARCH 1, 2023 THROUGH MARCH 31, 2023

Pursuant to the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* [D.I. 435] (the “Interim Compensation Order”), Paul Hastings LLP (“Paul Hastings”), lead counsel to the Official Committee of Unsecured Creditors (the “Committee”) appointed in the chapter 11 cases (the “Chapter 11 Cases”) of the above-captioned debtors and debtors-in-possession (the “Debtors”), hereby submits this monthly fee statement (this “Monthly Fee Statement”) for compensation of fees and reimbursement of costs and expenses incurred by Paul Hastings for professional services rendered by Paul Hastings during the period from March 1, 2023 through and including March 31, 2023 (the “Fee Period”) for or on behalf of the Committee in connection with the Chapter 11 Cases. In support of this Monthly Fee Statement, Paul Hastings respectfully states as follows:

1 The last four digits of FTX Trading Ltd.'s tax identification number are 3288. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://cases.ra.kroll.com/FTX>.

Background

1. On November 11 and November 14, 2022, respectively, each of the Debtors filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code with this Court. The Debtors continue to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. As of the date hereof, no trustee or examiner has been appointed in the Chapter 11 Cases.

2. On December 20, 2022, the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”) filed the *Amended Notice of Appointment of Committee of Unsecured Creditors* [Docket No. 261]² appointing the Committee.

3. On December 20, 2022, the Committee selected Paul Hastings to serve as its lead counsel in connection with the Debtors’ Chapter 11 Cases.

4. On February 7, 2023, the Court entered the *Order Authorizing and Approving the Retention and Employment of Paul Hastings LLP as Lead Counsel to the Official Committee of Unsecured Creditors, Effective as of December 20, 2022* [D.I. 635] (the “Retention Order”), authorizing the retention and employment of Paul Hastings as lead counsel to the Committee, effective as of December 20, 2022. The Retention Order authorizes Paul Hastings to be compensated for its services at its regular hourly rates in effect from time to time, as such rates may be increased periodically, and reimbursed for any costs and expenses incurred in connection with its representation of the Committee in connection with the Chapter 11 Cases, as set forth therein.

² The notice amended the initial *Notice of Appointment of Committee of Unsecured Creditors* [Docket No. 231] issued by the U.S. Trustee on December 15, 2022, to reflect the addition and correction of contact information for certain of the members of the Committee.

Relief Requested

5. By this Monthly Fee Statement, Paul Hastings seeks (a) allowance of compensation as an administrative expense claim against each of the Debtors' estates for fees and expenses incurred in the aggregate amount of \$3,545,013.23, (b) payment in the amount of \$2,805,202.40, representing eighty-percent (80%) of the total amount of fees incurred, and (c) payment in the amount of \$38,510.23, representing one-hundred percent (100%) of the total amount of costs and expenses incurred, in each case, in connection with work performed by Paul Hastings during the Fee Period for or on behalf of the Committee in connection with the Chapter 11 Cases.

Compensation Requested

6. Paul Hastings has worked diligently in these complex Chapter 11 Cases to advance the interests of the Committee for the benefit of general unsecured creditors. Specifically, Paul Hastings' work during the Fee Period included, without limitation, the following:

- Analyzing and participating in the sales processes for certain of the Debtors' assets;
- Analyzing various licensing and regulatory issues associated with the Debtors' operations, including regulatory considerations that may be relevant to a potential reboot of the Debtors' exchanges;
- Preparing an objection to Samuel Bankman Fried's motion to lift the automatic stay;
- Preparing for litigation in respect of the Debtors' and Committee's joint motion to continue sealing customer information;
- Preparing appellate pleadings and conducting research and analysis in respect of the U.S. Trustee's appeal from the Bankruptcy Court's order denying its motion to appoint an examiner;
- Analyzing various issues related to the monetization of the Debtors' tokens;
- Reviewing and analyzing the Debtors' Schedules of Assets and Liabilities and Statements of Financial Affairs;
- Conducting due diligence, research and analysis in respect of customer entitlements and property of the estate issues;

- Conducting research and analysis with respect to the potential valuation of cryptocurrency claims;
- Conducting due diligence, research and analysis with respect to potential avoidance actions;
- Investigating various prepetition transactions and potential estate claims and causes of action;
- Monitoring criminal and civil actions against former insiders of the Debtors;
- Coordinated with the Debtors in respect of litigation against the JPLs and analyzed legal issues regarding the Bahamian proceedings;
- Drafting presentations for Committee members, preparing for attending Committee meetings, and preparing for and attending meetings with the Debtors; and
- Responding to inquiries from creditors and parties in interest.

7. Paul Hastings maintains computerized records of the time spent by all Paul Hastings' attorneys and paraprofessionals in connection with its representation of the Committee. A detailed statement of work performed by Paul Hastings rendering legal services to the Committee during the Fee Period is attached hereto as **Exhibit A**.

8. The timekeepers who rendered services related to each category are identified in **Exhibit A**, along with the number of hours for each individual and the total compensation sought by each category.

9. In coordination with the Court-approved fee examiner appointed in FTX's chapter 11 cases, Paul Hastings has developed a coding protocol for certain time entries so as to preserve the confidentiality of certain services being performed by Paul Hastings attorneys, such as (among other things) the investigation of potential litigation targets, analyzing various venture portfolio investments, and communications with or regarding potential bidders in connection with various ongoing asset sale processes. As part of this protocol, Paul Hastings developed a series of

four digit codes that correspond to a specific party or asset in one or more of the aforementioned categories and a decoded list has been provided to the Fee Examiner.

Expense Reimbursement

10. A detailed statement of the actual and necessary costs and expenses incurred by Paul Hastings during the Fee Period in the aggregate amount of \$38,510.23 in the performance of services rendered to the Committee is attached hereto as **Exhibit B**. The expenses are categorized according to the nature of the charges incurred, including, among other things, telephone and facsimile charges, mail charges, special or hand delivery charges, document processing, photocopying charges, travel expenses, transportation costs, expenses for “working meals”, computerized research and other research costs.

11. Pursuant to Local Rule 2016-2, Paul Hastings represents that: (a) its rate for copying charges is \$0.08 per page for black and white copies and \$0.50 per page for color copies; (b) its rate for outgoing facsimile transmissions is \$0.25 per page (excluding related long distance transmission charges) with no charge for incoming facsimile transmissions; and (c) computer-assisted legal research is charged at rates not more than the actual cost.

Valuation of Services

12. Attorneys and paraprofessionals of Paul Hastings have expended a total of 2,530.80 hours in connection with its representation of the Committee during the Fee Period. The amount of time spent by each Paul Hastings timekeeper providing services to the Committee for the Fee Period is set forth herein and in the attached monthly statement. Paul Hastings respectfully submits that the reasonable value of the services rendered by Paul Hastings to the Committee during the Fee Period is \$3,506,503.00.

13. Paul Hastings believes that the description of the time entries included in **Exhibit A** attached hereto and the expenses set forth in **Exhibit B** attached hereto are in compliance with the requirements of Local Rule 2016-2.

Reasonableness of Compensation

14. All fees and expenses incurred by Paul Hastings during the Fee Period for or on behalf of the Committee were actual, reasonable and necessary in the performance of Paul Hastings' services. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, all fees and expenses requested by Paul Hastings in this Monthly Fee Statement are reasonable due to (a) the size, nature and complexity of these Chapter 11 Cases, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, (e) the costs of comparable services other than in a case under chapter 11 of the Bankruptcy Code, and (f) the fact that such fees and expenses were not unnecessarily duplicative of the services performed by other professionals retained by the Committee.

Compliance and Waiver

15. To the best of Paul Hastings' knowledge, this Monthly Fee Statement complies with Local Rule 2016-2. To the extent that this Monthly Fee Statement does not comply in all respects with the requirements of Local Rule 2016-2, Paul Hastings believes that such deviations are not material and respectfully requests that any such requirements be waived.

Reservation of Rights

16. To the extent that time or disbursement charges for services rendered or disbursements incurred on behalf of the Committee during the Fee Period were not inputted, processed or posted before the preparation of, or included in, this Monthly Fee Statement, or Paul Hastings has for any other reason not sought compensation or reimbursement of expenses herein with respect to any services rendered or expenses incurred during the Fee Period on behalf of the

Committee, Paul Hastings reserves the right to request compensation for such services and reimbursement of such expenses in a supplemental or future Monthly Fee Statement.

17. In addition, Paul Hastings does not waive, and expressly reserves, its right to respond to any objections regarding this Monthly Fee Statement and the amounts sought for Paul Hastings' work performed by or on behalf of the Committee in connection with the Chapter 11 Cases.

Notice and No Prior Request

18. Notice of this Monthly Fee Statement has been given to the following parties or, in lieu of, to their counsel, if known: (a) the U.S. Trustee, (b) the Debtors, (c) the Committee, (d) the Fee Examiner, and (e) all parties required to be given notice in the Interim Compensation Order. Paul Hastings submits that no other or further notice is necessary.

19. No prior request for the relief sought in this Monthly Fee Statement for fees and expenses incurred during the Fee Period has been made to this or any other Court.

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WHEREFORE, Paul Hastings respectfully requests that the Court approve the Monthly Fee Statement and grant Paul Hastings such other and further relief as the Court deems just and proper.

Dated: May 31, 2023
New York, New York

PAUL HASTINGS LLP

/s/ Erez E. Gilad

Kristopher M. Hansen*

Erez E. Gilad*

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* *Admitted pro hac vice*

*Counsel to the Official Committee
of Unsecured Creditors*

CERTIFICATION OF COMPLIANCE WITH LOCAL RULE 2016-2

I, Erez E. Gilad, hereby certify as follows:

1. I am a partner in the applicant firm, Paul Hastings LLP, and have been admitted to the bar of the State of New York since 2001.

2. I have personally performed many of the legal services rendered by Paul Hastings, as lead counsel for the Committee, and I am generally familiar with all other work performed on behalf of the Committee by the lawyers and paraprofessionals in the firm.

3. The facts set forth in the foregoing Monthly Fee Statement are true and correct to the best of my knowledge, information, and belief. Moreover, I have reviewed the requirements of Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware and respectfully submit that the Monthly Fee Statement complies with such requirements.

Dated: May 31, 2023
New York, New York

/s/ Erez E. Gilad
Erez E. Gilad